

News Release

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U.S. TOBACCO INDUSTRY TO BUY 421 MILLION POUNDS OF 1998 BURLEY TOBACCO

WASHINGTON, January 15, 1998 -- The U.S. Department of Agriculture announced today that U.S. cigarette manufacturers plan to purchase 421.1 million pounds (farm sales weight) of 1998-crop burley tobacco.

Major domestic cigarette manufacturers are required to report annually to USDA their intended purchases of burley tobacco from U.S. auction markets and producers.

Data on intended purchases, average annual burley exports for the preceding three years and the amount of tobacco needed to attain reserve stock levels is used to determine the annual burley tobacco marketing quota. The 1998 quota will be announced by February 1, 1998.

Annual burley exports for 1995, 1996, and 1997 averaged 188.1 million pounds, up 25.1 million pounds from 1994-1996.

In 1997, manufacturers' intended purchases totaled 473.5 million pounds.

Further program information is available from Verner Grise, (202) 720-5291, E-mail address vgrise@wdc.fsa.usda.gov

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